

**MINUTES OF THE MEETING OF THE CO-OPERATIVE COUNCIL OF AUSTRALIA  
HELD AT THE DEPARTMENT OF FAIR TRADING, LEVEL 22, 227 ELIZABETH  
STREET, SYDNEY ON THURSDAY 29<sup>TH</sup> MAY 2003 COMMENCING AT 9.30AM.**

**PRESENT**

Ian Wilson (Chairman) & David Osgood  
John Booth  
Helen McCall  
James Howard  
Tony O'Shea

Co-op Federation of SA  
Co-op Federation of WA  
Co-op Federation of NSW  
Co-op Federation of Qld  
Co-op Federation of Vic

**MINUTES**

It was resolved that the minutes of the meeting held on the 19<sup>th</sup> September 2001 be taken as read and confirmed.

**MATTERS ARISING FROM THE MINUTES**

In response to the question regarding a Tasmanian Federation, Mr. Osgood advised that no contact had been received from Tasmania regarding forming a Federation their since the initial inquiry. It was agreed to follow up this inquiry once again.

**DISCUSSION CO-OP NATIONAL WORKING PARTY (CNWP) PAPER**

In general discussion it was agreed that the paper provided to the Council was the drafting instructions for CCU's and Mutual Recognition as discussed at the last meeting, Helen McCall advised that she was under the impression that the Ministerial Council had received the drafting instructions in February, however she thought that this is what they would be discussing today. Jim Howard advised that he would like to be involved when the drafting instructions were issued rather than before, but was advised by his regulator that it would be beneficial to attend this meeting.

In general discussion the meeting accepted the draft amendments to the Co-operative Legislation to incorporate CCU's and Mutual Recognition.

Jim Howard raised concerns regarding auditing regulations for co-operatives that he understood were now in place in NSW and SA, that non company auditors could be appointed to co-operatives, as template legislation will be discussed he was flagging that this matter should be resolved. The other thing was Corporate Simplification Law was now in place and that smaller co-operatives were being disadvantaged, he would like to see smaller co-operatives able to use the simplification provisions to avoid unnecessary reporting. This matter was discussed fully by the meeting outing lining the various State problems, with auditors classified as registered co-operative auditors and that guidelines needed to be established. The meeting agreed that CCA must endeavour to avoid co-operatives becoming another part of the Corporations Act.

John Booth raised the question of CCU's and whether different classes of CCU's can be held, it was generally understood that there could be different classes of CCU's, but this should be clarified with the Working Party. He also raised the matter of Managed Investment schemes that had been raised on several occasions; this was discussed fully by the meeting as to what was a managed investment scheme from a co-operative viewpoint.

David Osgood drew members' attention to the meeting agenda provided by the Working Party and inquired if anyone had any comments. It was felt that most issues concerned CCP, and that it would be useful if every State had the same numbering provisions in the Acts, discussion also concerned Disclosure Statements which may involve deceased, separated or any other situation but a statement must be issued to any new member. Discussion continued regarding Model Rules, every State has Model Rules except NSW at this stage.

### **ADJOURNMENT**

The meeting adjourned at 10.30 am to meet with the NCWP.

Andrew Passey presented a report on the State of the NSW Co-operative Sector by Accord.

Brian Given outlined the NCWP discussions, and advised that progress had been slow but drafting will be quicker from now on. Questions still needed sorting out regarding away State and any winding up, carrying on business not just delivering goods. He advised that template legislation had been agreed, and would be conveyed to Ministers for agreement, Ministers are in principle agreement with Queensland being the proposed State to introduce Template Act with other States having 12 months in which to accept. A two-thirds majority to agree to any amendments to Act and Regulations. NCWP are wishing to progress this matter urgently. Simplification would be easier under template legislation. It is proposed to have Model Rules provisions, disclosure statements for new members incorporating any significant change, 35 days after board are aware. It was accepted that the NCWP would keep CCA informed on a confidential basis of developments that required any input from CCA.

The meeting closed at 12.45 pm and adjourned for lunch.

### **REVIEW OF DISCUSSION WITH THE CNWP**

The Chairman advised that discussion had been well worthwhile and that it was worth coming to the meeting. He felt it was important to maintain the relationship built up to date with the NCWP, and that CCA be kept in the loop on all discussions. Helen McCall advised that the NSW legislative review Committee have been successful in implementing changes where necessary. Jim Howard spoke to Brian Given requesting that information be forwarded to CCA representatives on a confidential basis, he agreed to look at this matter. The Chairman emphasised that CCA could be spoken too on a confidential basis and that this must be maintained. In general discussion the meeting was impressed with the developments by the NCWP.

### **TAXATION ISSUES**

Jim Howard advised that CCA has gone as far as possible at this stage, the ATO is available for consultation on franking credits and standard material is available. John Booth advised that he had used Chris Denny in WA, and that they had aim their presentation at two levels including country people. Jim Howard advised that he was under the impression that the people in Canberra would be making the arrangements for presentation. Jim Howard agreed to forward the Standard material that had been developed by the ATO.

### **FINANCIAL REPORT**

Details of the financial position of CCA as at the 30<sup>th</sup> April 2003 was tabled by John Booth, copies of which were distributed to members, showing a balance of \$11,704.99 in the deposit account and \$89.55 in the cheque account.

The Chairman drew the attention of the meeting to the deposit account, and rather than leaving the account building up, suggested that it might be possible to subsidise travel costs. Jim Howard advised that some form of PR work would be necessary in a few years time when all the proposed changes have settled down, a some money could be used for that purpose.

It was resolved that the accounts as tabled for the period to 30<sup>th</sup> April 2003 be received.

### **CORRESPONDENCE**

David Osgood advised that there was no correspondence other than emails.

### **STATE FEDERATION REPORTS**

A report by each State Federation was presented for information, it was generally agreed that members were being lost for various reasons, and that funding was still a major concern for some Federations.

### **NEXT MEETING**

It was agreed that the next meeting be as and when required.

### **CLOSURE**

The meeting closed at 4 pm.

Signed as correct record .....

Chairman